REMARKS

Claims 1-37, 54 and 55 stand rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention. More specifically, the Examiner has stated that he believes that it is unclear whether Applicants are claiming an apparatus or a method in the claims because of the term "system" in the preamble. Applicants respectfully submit that Claims 1-37, 54 and 55 taken as a whole are clearly apparatus-type claims and Claims 38-53 and 56 are clearly method-type claims. Applicants are not aware of any requirement that the specific term "apparatus" must be used in the preamble of apparatus-type claims.

The Examiner has rejected all claims under 35 U.S.C. §103 as being unpatentable over Nelson (US 4,823,265) in view of Hammons et al. (US 6,477,509). Applicants respectfully ask the Examiner to reconsider these rejections in light of the below Remarks.

The present invention is directed to a system and method for facilitating the processing and settlement of an already executed securities trade, which system and method compares trade execution information supplied by one trading party with trade allocation information supplied by a second trading party and

determines that a match exists if party supplied data elements contained in the trade execution information and party supplied data elements contained in the trade allocation information correlate within a set of predefined acceptable trade parameters.

On the other hand, Nelson discloses a system and method for processing transactions in renewable options in stocks or other securities, while Hammons discloses a method and system for communication and trade on a network, in which information is directed at the computer screen of a consumer by merchants of goods, services, or information. At least in part because these two systems are concerned with solving with completely different problems than is the present invention, Applicants respectfully submit that there are numerous elements common to all claims which are not disclosed, taught or suggested by the two cited references, either alone or in combination.

All claims require <u>trade execution</u> information supplied by a first trading party which trade execution information is <u>indicative of an executed trade</u> by the first trading party and comprises party supplied data elements concerning <u>conditions of the executed trade itself</u>, and <u>trade allocation</u> information supplied by a second trading party, which trade allocation information <u>indicative of an ordered trade</u> by the second trading party and comprises party supplied data elements concerning

conditions of the ordered trade itself. As neither Nelson nor Hammons is concerned

with a securities trade which has already been executed, neither reference discloses,

teaches or suggests any of the above-highlighted elements. As such, a combination

of the cited references would not possess these elements.

All claims also require acceptable trade parameters, the comparing of the

party supplied data elements contained in the trade execution information with the

party supplied data elements contained in the trade allocation information, and the

determining that a match exists if the party supplied data elements contained in the

trade execution information and the party supplied data elements contained in the

trade allocation information correlate within the acceptable trade parameters. Thus,

the claims require that two specific types of data sets are compared and a match is

determined to exist if the data sets correlate within certain specified parameters.

Neither Nelson nor Hammons individually, nor a combination of the two discloses,

teaches or suggests these limitations.

Nelson briefly discloses a "renewable option exchange which would accept

and match offers to purchase, sell and write renewable options." (column 9, lines 35-

37). However, when the above quotation is read in its surrounding context, it

becomes clear that a "comparing" of two sets of data within a set of "acceptable

trade parameters" (as required by all claims) was not even remotely contemplated.

Rather, Nelson is concerned only with providing an "exchange" where a variety of entities may gather, offer renewable options, view offered renewable options, and decide to accept or reject listed offers for renewable options. No comparing of data sets is disclosed, and Applicants cannot even conceive of how the required "acceptable trade parameters" element could be considered as being disclosed, taught or suggested. The system and method claimed in the present application is completely different that the computer-based classified-type system and method disclosed in Nelson.

Hammons discloses a system wherein a user supplies information concerning himself/herself, and the system sends targeted advertising information to the user based upon the personal information supplied. No comparing of data sets is disclosed to determine whether a "match" between data sets exists. Rather, the system simply determines whether the user supplied information satisfies one or more criteria. Moreover, as with Nelson, Applicants cannot even conceive of how the required "acceptable trade parameters" element could be considered as being disclosed, taught or suggested. Like Nelson, the system and method claimed in the present application is completely different that the computer-based targeted advertising system and method disclosed in Hammons.

As neither Nelson nor Hammons, either alone or in combination, discloses, teaches or suggests each of the elements required by all claims, and as both references are concerned with solving completely different problems than the claimed invention, Applicants respectfully submit that there is no basis for a rejection under 35 U.S.C. §103(a).

Moreover, in the Preliminary Amendment filed on December 9, 2002, Applicants added Claims 54-56, each of which require that predefined acceptable trade parameters specify at least one variance range, which variance range is greater than zero, and wherein a match is determined to exist for a particular party supplied data element if the value of the particular party supplied data element contained in the trade execution information correlates with the value of the particular party supplied data element contained in the trade allocation information within the at least one variance range. It appears that the Examiner has completely ignored the limitations of these claims, stating "Re claims 49-56: ...transmitting exception notification (see Nelson, col. 1, ll. 60-66; col. 4, ll. 21+)." Applicants have carefully studied the cited references (including the portions specifically referenced) and simply cannot find any portion thereof which can even be argued as disclosing or teaching the elements of Claims 54-56.

For the foregoing reasons, Applicants respectfully submit that all pending claims, namely Claims 1-56, are patentable over the references of record, and earnestly solicit allowance of the same.

Respectfully submitted,

Wesley W. Whitmyer, Jr., Reg. No. 33,558
Todd M. Oberdick, Registration No. 44,268
ST. ONGE STEWARD JOHNSTON & REENS LLC
986 Bedford Street
Stamford, Connecticut 06905-5619
(203) 324-6155
Attorneys for Applicants